



# Credit Union Department

## \* \* NEWSLETTER \* \*

No. 07-03

July 31, 2003

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### RESULTS OF CREDIT UNION COMMISSION MEETING

The Credit Union Commission held a special public meeting on Friday, July 18, 2003. At the meeting the Commission:

- Adopted amendments to 7 TAC §§91.701 (Lending Powers), 91.702 (Lending Transactions), amendments to 7 TAC 91.704 as previously published in the *Texas Register* (Real Estate Lending), 91.708 (Real Estate Appraisals), 91.710 (Overdraft Protection), 91.711 (Loan Participations), 91.712 (Plastic Cards), 91.713 (Indirect Financing of Motor Vehicles or Other Chattels), 91.715 (Exceptions to the General Lending Policies), 91.718 (Charging off or Setting up Reserves), 91.719 (Loans to Officials and Employees);
- Adopted proposed new 7 TAC §§91.6001 through 91.6015 (Trust Powers);
- Readopted without changes 7 TAC Chapter 95, §§95.100 through 95.306 (Share Insurance Requirements);
- Approved for publication and comment in the Texas Register the proposed amendments to:
  - [7 TAC §91.101](#) concerning Definitions and Interpretations;
  - [7 TAC §91.201](#) concerning Incorporation Procedures;
  - [7 TAC §91.301](#) concerning Field of Membership;
  - [7 TAC §91.801](#) concerning Credit Union Senior Management Compensation from a CUSO;
- Approved for publication and comment in the Texas Register the proposed new rule:
  - [7 TAC §91.503](#) concerning Change in Credit Union President;
- Established November 21, 2003 as its next meeting date.

### PROPOSED RULE CHANGES

The proposed amended rules approved for publication and comment by the Commission are attached. All comments, favorable or otherwise, should be forwarded to the Department as soon as possible. In order for your comments to be considered by the Commission, the comments must be received no later than **September 8, 2003**.

### CHANGE 5, RULES FOR TEXAS CREDIT UNIONS

Because of budget constraints, the Department will not mail Change 5 to update the Rules for Credit Unions until after September 1<sup>st</sup>. The effective date of this revision is August 11, 2003. Should you have any questions, please do not hesitate to give Isabel Velasquez a call at (512) 837-9236.

## AMENDMENTS TO THE TEXAS CREDIT UNION ACT

Included with this Newsletter is a brief synopsis of some of the more substantive changes to the Credit Union Act that were recently passed by the 78<sup>th</sup> Legislature (House Bill 1307). These amendments will become effective on September 1, 2003. An update, reflecting all of the new statutory provisions will be mailed to each credit union during the month of September. In the meantime, credit unions may download a copy of House Bill 1307 by visiting **Texas Legislature Online** [Website](#) and clicking on the *Enrolled Version* of the Bill.

### OPERATING FEE

On September 30, 2003, the Department instituted a new process for the payment of the annual operating fee. The operating fee will be paid in semi-annual installments as billed effective September 1 and March 1. The first installment representing 50% of the total fee must be paid by no later than September 30, 2003. The amount of the final installment will be determined after review and consideration of revenues and actual expenses for the fiscal year. The final installment, which will not be greater but may be less than 50% of the total fee, will be due no later than March 31, 2004. The fee will be calculated based upon the credit union's total assets at June 30, 2003. After you receive your first invoice, should you have any questions or disagree with our computations, please give us a call. Otherwise, please remember that the first portion of the fee must be received in our office by the close of business on **September 30, 2003**, in order to avoid penalties.

### APPLICATIONS APPROVED

Applications approved since June 30, 2003 include:

<u>Credit Union</u>	<u>Changes or Groups Added</u>
Field of Membership Change(s) Approved:	
<b>Cameron Credit Union</b> (Houston)	See Newsletter No. 06-03
<b>Community Credit Union</b> (Plano) (#1)	See Newsletter No. 06-03
<b>Community Credit Union</b> (Plano) (#2)	See Newsletter No. 06-03
<b>Members Choice Credit Union</b> (Houston)	See Newsletter No. 06-03
<b>TruWest Credit Union</b> (Scottsdale, Arizona)	See Newsletter No. 06-03
<b>Star One Credit Union</b> (Sunnyvale, California) (#1)	See Newsletter No. 06-03
<b>Star One Credit Union</b> (Sunnyvale, California) (#2)	See Newsletter No. 06-03
Articles of Incorporation Change(s) Approved:	
<b>Cameron Credit Union</b> (Houston)	See Newsletter No. 06-03
Merger(s) or Consolidation(s) Approved:	
<b>Texas Steel Credit Union with My Federal Credit Union</b>	See Newsletter No. 04-03

## APPLICATIONS RECEIVED

The following applications were received and published in the July 25, 2003 issue of the *Texas Register*.

Field of Membership Expansion(s):

**Texans Credit Union** (Richardson) – To permit members of the Friends of the Texas Credit Union Foundation and its employees, who live, work, or attend school in the regions of Texas as defined by the North Central Texas, Texoma, Capital Area, and Houston-Galveston Council of Governments, to be eligible for membership in the credit union.

**Energy Credit Union** (Houston) – To permit persons who live or work within 10 miles of Energy Capital Credit Union's branch offices, to be eligible for membership in the credit union.

**Houston Energy Credit Union** (Houston) – To permit persons who live, work, attend school, or are located in Harris County, Texas and business entities located therein, to be eligible for membership in the credit union.

**Associates Mutual Credit Union** (Houston) – To permit persons who live, work, attend school, within a two mile radius of Associates Mutual Credit Union's office located at 811 North Loop West, Houston, Texas 77008, to be eligible for membership in the credit union.

**TruWest Credit Union** (Scottsdale, Arizona) – To permit anyone that works, lives, or is located in Travis County, to be eligible for membership in the credit union.

**Premier America Credit Union** (Chatsworth, California) (#1) – To permit employees of Neurobehavioral Healthcare Systems, Ltd., to be eligible for membership in the credit union.

**Premier America Credit Union** (Chatsworth, California) (#2) – To permit employees of Novell Inc., to be eligible for membership in the credit union.

Comments or a request for a meeting by any interested party relating to an application must be submitted in writing within 30 days from the date of this publication. Credit unions that wish to comment on any application must also complete a Notice of Protest form. The form may be obtained by contacting the Department at (512) 837-9236 or downloading the form at <http://www.t cud.state.tx.us/applications.html>. Any written comments must provide all information that the interested party wishes the Department to consider in evaluating the application. All information received will be weighed during consideration of the merits of an application. Comments or a request for a meeting should be addressed to the Texas Credit Union Department, 914 East Anderson Lane, Austin, Texas 78752-1699.

